

INSTRUCTIONS FOR USE STANDARD AGREEMENT TO PROVIDE FOOD SERVICE

The attached Standard Agreement to Provide Food Service is to be used when National School Lunch Program (NSLP) and/or School Breakfast Program (SBP) sponsoring agency (Sponsor) enters into an agreement with a food service vendor for the preparation, delivery and/or pick up of unitized meals with or without milk or juice which will be claimed for reimbursement under the NSLP/SBP. For this purpose, a “vendor” is defined as a commercial food service vendor.

If the vending agreement is between two public agencies (i.e. a charter school and a public school district), you are allowed to use any customary form of contract or agreement used by the school district, if that form incorporates all the provisions set forth in 7 CFR 210 and/or 220 of the federal regulations.

If the annual aggregate value of the food service contract is \$30,724 or more (\$35,000 or more for Charter Schools), formal bid contracting procedures, as outlined in 7 CFR Part 210 and OMB Circular A-102, Attachment O, are required. Documentation must be on file that the contracting procedure met the requirements for fair and open competition. See the Arizona Department of Education *Child Nutrition Programs Guidance Manual*, Section 10 for more information on Procurement.

This agreement must be signed by both the Sponsor and the Vendor, and contains the requirements outlined in the federal regulations. No deletions of clauses or items will be allowed without the approval of the Arizona Department of Education (ADE)/Student Services. Additional clauses may be added to bring the agreement into conformance with applicable State or local laws governing your agency. Either the agency or the vendor may add additional clauses.

This agreement is valid from the date of signature until the end of the state fiscal year, June 30th. A new agreement must be entered into annually. **A copy of each annual agreement must be submitted to ADE for review prior to beginning NSLP/SBP operations.** Both the Sponsor and the Vendor must retain the completed agreement and all amendments.

If you have any questions regarding the use of this agreement or need clarification of the regulatory requirements for contracting, please call your specialist, or the ADE/Student Services office at (602) 542-8700, or the toll free number 1-800-352-4558.

STANDARD AGREEMENT TO PROVIDE FOOD SERVICE
BETWEEN A NSLP/SBP SPONSOR AND A FOOD SERVICE VENDOR

This agreement is entered into on _____, _____ by and between
(DAY) (MONTH) (YEAR)

_____, herein after referred to as the Sponsor, and
(NAME OF AGENCY)

_____, herein after referred to as the Vendor.
(NAME OF FOOD SERVICE VENDOR)

Whereas, it is not within the capability of the agency to prepare specified meals under the National School Lunch Program (NSLP) and/or School Breakfast Program (SBP); and

Whereas, the facilities and capabilities of the Vendor are adequate to prepare and deliver specified meals to the Sponsor's facility(ies); and

Whereas, the Vendor is willing to provide such services to the Sponsor on a cost reimbursement basis;

Therefore, both parties hereto agree as follows:

The Vendor agrees to:

1. Prepare unitized meals for *delivery/pick up**, *inclusive* or *exclusive** of milk or juice for,
(*circle whether delivery or pick up, and whether inclusive or exclusive)

Food Service Sites

For the purpose of this Agreement, a Food Service Site is considered to be at the following location(s):

which is approved for food service by applicable health standards and authorized by the Arizona Department of Education, Child Nutrition Program Unit.

Schedule of Delivery (if applicable)

The Vendor shall make deliveries of meals, by type (breakfast, lunch, snack), within the hours and on the days designated. The Vendor shall make deliveries only to the authorized Food Service Sites.

| Name of Site | Meals by Type | Hour of Delivery | Days |
|--------------|---------------|------------------|------|
| _____ | | | |
| _____ | | | |
| _____ | | | |

in accordance with the number of meals requested and at the cost(s) per meal listed below:

breakfast \$ _____ each lunch \$ _____ each
after school care program snack \$ _____ each

2. Provide the Sponsor, for approval, a proposed cycle menu for the operational period, at least _____ days prior to the beginning of the period to which the menu applies, or on a weekly basis if no cycle menus are used. Any changes to the menu made after Sponsor approval must be agreed upon by the Sponsor and documented on the menu records. Menu items may be adjusted by the mutual consent of both parties. However, the Vendor shall adjust the menus at the request of the Sponsor whenever the Sponsor determines certain items to be unacceptable. Such items can be determined to be unacceptable because of (1) a monotonous diet resulting from items served frequently or the similarity to other items; (2) the nutritional needs of the students; (3) susceptibility to spoilage; and (4) excessive waste resulting from unpopularity of items with students. Such adjustments shall be made at the earliest convenience of both parties, but in no instance later than one week after request except that in the case of spoilage adjustment shall be made in such a manner that the children in attendance on the day spoilage is discovered shall receive acceptable meals meeting meal requirements.
3. Assure that each meal provided to the agency under this agreement meets the minimum requirements as to the nutritional content as specified by the approved NSLP/SBP Meal Planning Option. This includes the Nutrition Standards set forth in CFR 210.10. Snacks will meet the NSLP snack pattern. Menu planning option being used (see attachment):

Traditional Meal Pattern_____ *Assisted NuMenus_____ (Vendor plans and analysis menus)

Enhanced (Food Based) Meal Pattern_____ NuMenus_____ (Sponsor plans and analysis menus)

* Assisted NuMenus must be pre-approved by ADE/Student Services.

4. Maintain full and accurate records/production worksheets which document: (1) the menus provided to the agency during the term of this agreement, (2) a listing of all components of each meal, and (3) an itemization of the quantities and portion sizes of each component used to prepare said meal. The Vendor agrees to provide meal preparation documentation by using yield factors for each food item as listed in the United States Department of Agriculture (USDA) Food Buying Guide when calculating and recording the quantity of food prepared for each meal.
5. Maintain and make available recipes, nutrition facts labels, and any necessary CN labels or product specification sheets related to the menus served.
6. Maintain such cost records as invoices, receipts and/or other documentation that exhibit the purchase, or otherwise availability to the Vendor, of the meal components and quantities itemized in the meal preparation records.
7. Maintain, on a daily basis, an accurate count of the number of meals, by meal type, prepared for and delivered to/picked up by the Sponsor. Meal count documentation must include the number of meals requested by the Sponsor.
8. Allow the Sponsor to increase or decrease the number of meal orders, as needed, when the request is made within _____ of the scheduled delivery time.
9. Present to the Sponsor an invoice accompanied by reports no later than the _____ day of each month which itemizes the previous month's delivery. The Vendor agrees to forfeit payment for meals which are not ready within one (1) hour of the agreed upon delivery time, are spoiled or unwholesome at the time of delivery, or do not otherwise meet the meal requirements contained in this agreement. In cases of nonperformance or noncompliance on the part of the Vendor, the Vendor shall pay the Sponsor for any excess costs the Sponsor incurs by obtaining meals from another source.
10. Provide the Sponsor with a copy of current health certifications for the food service facility in which it prepares meals for NSLP/SBP. The Vendor also agrees to notify the Sponsor of the results of any health inspection that is made during the duration of this Contract. The Vendor shall maintain proper sanitation practices and health standards in conformance with all applicable State and local laws and regulations. The Vendor shall assure that wholesome ingredients are used and that all food is properly stored, prepared, packaged, and transported. In addition, any substance which the food contacts or which is used in conjunction with the food shall be so handled as to assure that it does not become contaminated.
11. Retain all required records during the contract year, and submit to the Sponsor at the end of the contract year. Upon request make all accounts and records pertaining to the agreement available to the certified public accountant hired

by the Sponsor, representatives of the Arizona Department of Education, USDA, the US General Accounting Office, and the Office of Inspector General (OIG) for audits or administrative reviews at a reasonable time and place.

12. Not subcontract for the total meal, with or without milk, or for the assembly of the meal.
13. Accept commodities from the Sponsor. These commodities will only be used in the preparation of meals provided for the NSLP/SBP. A perpetual inventory record shall be maintained and submitted to the sponsor on a monthly basis. The Vendor will reduce the price of the meals by the fair market value of the commodities used in the meals. Price reductions will be itemized on the invoice. All commodities until used are the property of the Sponsor.

The Sponsor agrees to:

1. Be responsible for informing the Vendor of its reasons for determining that a meal is unacceptable.
2. Request by telephone no later than _____, an accurate number of meals to be delivered/picked up by Sponsor each day. Notify the Vendor of necessary increases or decreases in the number of meal orders within _____ hours of the scheduled delivery/pick up time. Errors in meal order counts made by the Sponsor shall be the responsibility of the Sponsor.
3. Ensure that a Sponsor representative is available at each delivery/pick up site, at the specified time on each specified delivery/pick up day to receive, inspect and sign for the requested number of meals. This individual will verify the temperature, quality and quantity of each meal service delivery/pick up. The Sponsor assures the Vendor that this individual will be trained and knowledgeable in the record keeping and meal requirements of the NSLP/SBP, and with local health and safety codes.
4. Provide personnel to serve meals, clean the serving and eating areas, and assemble transport carts and auxiliary items for pick up by the Vendor (if applicable) no later than _____.
5. Notify the Vendor within _____ days of receipt of the next month's proposed cycle menu, of any changes, additions or deletions.
6. Provide the Vendor with a copy of 7 CFR Part 210.10 and 210.10a; the Meal Planning Option that is to be followed; and the Menu Planning Workbook and Food Buying Guide; and all other technical assistance materials pertaining to the food service requirements of the NSLP/SBP. The Sponsor will, within 24 hours of receipt from the ADE/Student Services, advise the vendor of any changes in the food service requirements.
7. Pay the Vendor by the _____ day of each month the full amount as presented on the monthly itemized invoice. Notify the Vendor within 48 hours of receipt of any discrepancy in the invoice. Pay the Vendor for all meals delivered/picked up in accordance with the agreement. Neither the Arizona Department of Education nor USDA will assume any liability for payment of the difference between the number of meals prepared, picked up by the Sponsor or delivered by the vendor and the number of meals served by the Sponsor that are eligible for reimbursement.
8. Order only those commodities that can be incorporated into its meals. The Sponsor shall be responsible for transferring all unused commodities at the close of the NSLP/SBP. The Sponsor is responsible for the fair market value of any commodity losses that may occur. The Sponsor is responsible for oversight of vendor acceptance and use of commodities.

Other Terms of the Agreement:

1. Employment

The Vendor shall comply with all applicable Federal, State, and local laws and regulations pertaining to wages, hours, conditions of employment, and nondiscrimination in employment.

2. Indemnity

- A. The Vendor shall indemnify the Sponsor against any loss of damage (including attorney's fees and costs of litigation) caused by the Vendor's negligent act or omission, theft by the Vendor's employees, or the negligent or intentional acts or omissions of the Vendor's agents or employees. The Vendor shall defend

any suit against the Sponsor alleging personal injury or property damage arising out of the transportation of meals or other items to the Food Service Sites or out of the acts of the Vendor's employees, and any suit alleging personal injury, sickness, or disease arising out of the consumption of the meals delivered by the Sponsor to the Food Service Sites, and shall be liable for any damages agreed to by the parties or awarded as a result of such litigation.

- B. The Sponsor will promptly notify the Vendor in writing of any claims against the Vendor or the Sponsor and, in the event a suit is filed, will promptly forward to the Vendor all papers in connection therewith. The Sponsor will not incur any expense or make any settlement without the Vendor's assent. However, if the Vendor refuses or neglects to defend any such suit, the Sponsor may defend, adjust, or settle any such claim, and the costs of such defense, adjustment, or settlement, including reasonable attorney's fees, will be charged to the Vendor.

3. Contract Modification; Nonperformance or Default

- A. This Contract constitutes the entire understanding between the Vendor and the Sponsor with respect to the subject matter hereof, and there are no other written or oral understandings or agreements with respect hereto. No variation or modification of the Contract, and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of the Sponsor and the Vendor. No assignment or transfer of this Contract may be made, in whole or in part, without the prior written consent of the Sponsor.
- B. The Sponsor may, upon written notice of default to the Vendor, terminate the whole or any part of this Contract in any one of the following circumstances:
 - 1. If the Vendor fails to make delivery of meals, other agreed upon items (i.e. eating utensils, supplies, storage equipment), or to perform the services within the time specified herein.
 - 2. If the Vendor fails to perform any of the other provisions of this Contract in accordance with its terms and does not correct such failure within 48 hours after requested to do so.
- C. The Vendor may not subcontract any portion of this contract.
- D. If this contract has an aggregate value in excess of \$30,724 (\$35,000 for Charter Schools), the attached "Addendum A" and "Addendum B" becomes a part of this contract by reference. For further provisions, please refer to 7CFR, Sections 210.16 and 210.21.

4. Termination

This Agreement shall become effective on _____, and meals shall be provided hereunder during the period commencing on the effective date and ending on _____, and during such additional period or periods as the Vendor and the Sponsor may agree upon. However, either party may, at any time during the life of this Contract, terminate this Contract with respect to the receipt of meals by giving thirty (30) days' notice in writing to the other party of its intention to do so. The Sponsor may terminate this Contract upon written notice if the terms and conditions hereof are not fully complied with by the Vendor. All notices to the Sponsor shall be addressed to the Sponsor at the address listed on the signature page, and all notices to the Vendor shall be addressed to the Vendor at the address listed on the signature page.

STANDARD AGREEMENT TO PROVIDE FOOD SERVICE
BETWEEN A NSLP/SBP SPONSOR AND A FOOD SERVICE VENDOR

Signature Page

In witness whereof, the parties hereto have caused this Contract to be signed by their duly authorized representatives the day and year just above written.

For the Sponsor:

For the Food Service Vendor

Name and Title of Representative

Name and Title of Representative

Signature

Signature

Mailing Address, Street/PO Box

Mailing Address, Street/PO Box

Mailing Address, City, State, Zip Code

Mailing Address, City, State, Zip Code

Telephone

Telephone

Date

Date

| Traditional Meal Pattern Lunch | | | | | |
|--|---|---|---|---|--|
| Minimum Quantities | | | | | |
| | Preschool | | Grades K-3 | Grades 4-12 ¹ | Recommended Quantities Grades 7-12 ² |
| <i>Meal Component</i> | Ages 1-2 (Group I) | Ages 3-4 (Group II) | Age 5 & 8 (Group III) | Age 9 & over (Group IV) | Age 12 & Over (Group V) |
| Milk (as a beverage) | 3/4 cup (6 fl. oz.) | 3/4 cup (6 fl. oz.) | 1/2 pint (8 fl. oz.) | 1/2 pint (8 fl. oz.) | 1/2 pint (8 fl. oz.) |
| Meat/Meat Alternate (quantity of the edible portion as served) A serving of one of the following or a combination to give an equivalent quality: Lean meat, poultry, or fish (edible portion as served) Cheese Large egg(s) Cooked dry beans or peas Peanut butter or soynut or other nut or seed butter Yogurt The following may be used to meet no more than 50% of the requirement and must be used in combination with any of the above: Peanuts or soynuts or tree nuts or seed or an equivalent quality of any combination of the above meat/meat alternate | 1 oz. 1 oz. 1/2 1/4 cup 2 Tbsp. 4 oz. 1/2 oz.=50% | 1 1/2 oz. 1 1/2 oz. 3/4 3/8 cup 3 Tbsp. 6 oz. 3/4 oz.=50% | 1 1/2 oz. 1 1/2 oz. 3/4 3/8 cup 3 Tbsp. 6 oz. 3/4 oz.=50% | 2 oz. 2 oz. 1 1/2 cup 4 Tbsp. 8 oz. 1 oz.=50% | 3 oz. 3 oz. 1 1/2 3/4 cup 6 Tbsp. 12 oz. 1 1/2 oz.=50% |
| Vegetable/Fruit (2 different sources) 2 or more servings of vegetable or fruit or both to total | 1/2 cup | 1/2 cup | 1/2 cup | 3/4 cup | 3/4 cup |
| Grains/Breads ³ Must be enriched or whole grain. A serving is a slice of bread or an equivalent serving of biscuits, rolls, etc., or 1/2 cup of cooked rice, macaroni, noodles, other pasta products or cereal grains | 5 per week (minimum 1/2 serving per day) | 8 per week (minimum one serving per day) | 8 per week (minimum one serving per day) | 8 per week (minimum one serving per day) | 10 per week (minimum one serving per day) |

¹Group IV is the one meal pattern which will satisfy all requirements if no portion size adjustments are made.

²Group V specifies recommended, not required, quantities for students 12 years and older. These students may request smaller portions, but not smaller than those specified in Group IV.

³Minimum portion sizes and revised recipe calculations for grains/breads in Appendix II.

| Food Based Meal Pattern | | | | | |
|---|---|---|--|--|--|
| Lunch | | | | | |
| Minimum Quantities | | | | | |
| Meal Component | Required | | | | Option |
| | Ages 1-2 | Preschool | Grades K-6 | Grades 7-12 | Grades K-3 |
| Milk (as a beverage) | 1/4 cup (6 fl. oz.) | 3/4 cup (6 fl. oz.) | 1/2 pint (8 fl. oz.) | 1/2 pint (8 fl. oz.) | 1/2 pint (8 fl. oz.) |
| Meat/Meat Alternate (quantity of the edible portion as served) A serving of one of the following or a combination to give an equivalent quality: Lean meat, poultry or fish Cheese Large egg Cooked dry beans or peas Peanut butter or other nut or seed butters Yogurt The following may be used to meet no more than 50% of the requirement and must be used in combination with any of the above: Peanuts, soynuts, tree nuts or seeds, as listed in program guidance, or an equivalent quantity of any combination of the above meat/meat alternate | | | | | |
| | 1 oz. | 1 ½ oz. | 2 oz. | 2 oz. | 1 1/2 oz. |
| | 1 oz. | 1 ½ oz. | 2 oz. | 2 oz. | 1 1/2 oz. |
| | 1/2 | ¾ | 1 | 1 | ¾ |
| | 1/4 cup | 3/8 cup | 1/2 cup | 1/2 cup | 3/8 cup |
| | 2 Tbsp. | 3 Tbsp. | 4 Tbsp. | 4 Tbsp. | 3 Tbsp. |
| | 4 oz. | 6 oz. | 6 oz. | 8 oz. | 6 oz. |
| | 1/2 oz.=50% | 3/4 oz.=50% | 1 oz.=50% | 1 oz.=50% | 3/4 oz.=50% |
| Vegetable/Fruit (2 different sources) 2 or more servings of vegetables or fruits or both to total | 1/2 cup | 1/2 cup | 3/4 cup plus extra 1/2 cup over a week ¹ | 1 cup | 3/4 cup |
| Grains/Breads ³ Must be enriched or whole grain. A serving is a slice of bread or an equivalent serving of biscuits, rolls, etc., or 1/2 cup of cooked rice, macaroni, noodles, other pasta products or cereal grains | 5 servings per week ¹ Minimum of 1/2 per day ² | 8 servings per week ¹ Minimum of 1 per day ² | 12 servings per week ¹ Minimum of 1 per day ² | 15 servings per week ¹ Minimum of 1 per day ² | 10 servings per week ¹ Minimum of 1 per day ² |

¹For the purpose of this chart, a week equals five days.

²Up to one grains/breads serving per day may be a dessert.

³Minimum portion sizes and revised recipe calculations for grains/breads

| Traditional and Food Based Meal Pattern Breakfast | | | | |
|--|--|--|--|--|
| Minimum Quantities | | | | |
| <i>Meal Component</i> | Ages 1-2 | Preschool | Grades K-12 | Grades 7-12 |
| Milk (Fluid) (As a beverage, on cereal or both) | 1/2 cup | 3/4 cup | 8 fl. oz. | 8 fl. oz. |
| Juice/Vegetable/Fruit Fruit and/or vegetable; or full-strength fruit juice or vegetable juice | 1/4 cup | 1/2 cup | 1/2 cup | 1/2 cup |
| Select <i>one</i> serving from each of the following components or <i>two</i> from one component | | | | |
| Grains/Breads One of the following or an equivalent combination: Whole grain or enriched bread Whole grain or enriched biscuit/roll, muffin, etc. Whole grain or enriched or fortified cereal (if using option for grades 7-12, an additional serving of the grains/breads must be served daily) | 1/2 slice 1/2 serving 1/4 cup or 1/3 oz. | 1/2 slice 1/2 serving 1/3 cup or 1/2 oz. | 1 slice 1 serving 3/4 cup or 1 oz. | 1 slice 1 serving 3/4 cup or 1 oz. |
| Meat/Meat Alternate Meat, poultry or fish Cheese Large egg Cooked dry beans and peas Peanut butter or other nut or seed butters Nut and/or seeds (as listed in program guidance) ¹ | 1/2 oz. 1/2 oz. 1/2 2 Tbsp. 1 Tbsp. 1/2 oz. | 1/2 oz. 1/2 oz. 1/2 2 Tbsp. 1 Tbsp. 1/2 oz. | 1 oz. 1 oz. 1/2 4 Tbsp. 2 Tbsp. 1 oz. | 1 oz. 1 oz. 1/2 4 Tbsp. 2 Tbsp. 1 oz. |

¹ No more than 1 oz. of nuts and/or seeds may be served in any one meal.

NuMenus and Assisted NuMenus Main Points

Overview

NuMenus and Assisted NuMenus are menu planning methods which are based upon the analysis of nutrients in the foods offered. Meals must be formulated to meet the required nutrition goals. The nutritional analysis is performed using a computer and USDA-approved software. The software incorporates a national nutrient database which is tailored for the National School Lunch Program and School Breakfast Program.

Nutritional Analysis

- All foods served, including condiments, are considered in the analysis.
- The nutritional analysis is based on menus averaged over a one-week period.
- Breakfast menus may be averaged with lunch menus or they may be analyzed separately.
- A weighted nutrient analysis method may be used. Weighted nutrient analysis gives more weight to the nutrients in the foods that are more frequently selected.

Required Grade/Groups.

- | | |
|------------------------|----------------|
| • Grade Groups: | • Age Groups: |
| • Preschool | • Ages 3 - 6 |
| • Grades K - 6 | • Ages 7 - 10 |
| • Grades 7 - 12 | • Ages 11 - 13 |
| • Optional group K - 3 | • Ages 14 - 17 |

Meal Requirements

- Lunch - A minimum of 3 menu items must be offered
 - Entree
 - Side dish
 - Milk
- Breakfast - A minimum of 3 menu items must be offered
 - Only milk is specified
 - Any two other items

Contents of Snacks for After School Care Programs

Snacks served under this provision must meet the following meal pattern requirements for snacks.

| Snack (supplement) for children | Ages 1 and 2 | Ages 3 through 5 | Ages 6 through 18 |
|---|----------------------|----------------------|----------------------|
| Snack: (select 2 of these 4 components) | | | |
| 1. Milk, fluid | ½ cup | ½ cup | 1 cup |
| 2. Vegetable, fruit, or 100% full-strength juice*** | ½ cup | ½ cup | ¾ cup |
| 3. Grains/Breads (whole grain or enriched): | | | |
| Bread | ½ slice | ½ slice | 1 slice |
| or cornbread, rolls, muffins, or biscuits | ½ serving | ½ serving | 1 serving |
| or cold dry cereal (volume or weight, whichever is less) | ¼ cup or ⅓ oz | ⅓ cup or ½ oz | ¾ cup or 1 oz |
| or cooked cereal, pasta, noodle products, or cereal grains | ¼ cup | ¼ cup | ½ cup |
| 4. Meat or meat alternates: | | | |
| Lean meat, fish or poultry (edible portion as served) | ½ oz | ½ oz | 1 oz |
| or cheese* | ½ oz | ½ oz | 1 oz |
| or egg or yogurt | ½ egg or ¼ c | ½ egg or ¼ c | 1 egg or ½ c |
| or cooked dry beans or peas** | ⅛ cup | ⅛ cup | ¼ cup |
| or peanut butter, soy nut butter or other nut or seed butters | 1 Tbsp | 1 Tbsp | 2 Tbsps |
| or peanuts, soy nuts, tree nuts or seeds | ½ oz | ½ oz | 1 oz |
| or an equivalent quantity of any combination of the above meat/meat alternates | | | |

* Natural or Processed only.

** In the same meal service, dried beans or dried peas may be used as a meat alternate **or** as a vegetable; however, such use does **not** satisfy the requirement for both components.

*** Juice may not be served when milk is served as the other component.

We recommend that schools offer larger portions for older children (ages 13-18) based on their greater food energy requirements.

Addendum A

Equal Opportunity

(The following clause is applicable unless this contract is exempt under the rules, regulations, and relevant orders of the Secretary of Labor [41 CFR ch.60].)

During the performance of this contract, the Vendor agrees as follows:

(a) The Vendor will not discriminate against any employee or applicant for employment because of race, color, sex, age, handicap or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, sex, age, handicap or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Officer setting forth the provisions of this Equal Opportunity clause.

(b) The Vendor will in all solicitation or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, sex, age, handicap or national origin.

(c) The Vendor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the contractor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Vendor will comply with all provisions of Executive Order no. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(e) The Vendor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Vendor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the contractor may be declared ineligible for further Government contracts in accordance with Procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, or by rule, regulations, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Vendor will include the provisions of Paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of

October 13, 1967, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Vendor may request the United States to enter into such litigation to protect the interests of the United States.

PROCUREMENT STANDARDS FOR _____
Name of Sponsoring Agency

These guidelines have been established for the procurement of foods, supplies, equipment, and other goods and services. These standards are furnished to ensure that such materials and services are obtained efficiently and economically.

1. No employee, officer or agent of this institution shall participate in selection, or in the award or administration of a contract supported Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:
 - (1) The employee, officer or agent;
 - (2) Any member of his immediate family;
 - (3) His or her partner; or
 - (4) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
2. Officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Misuse of funds is punishable under the laws of Arizona.
3. Proposed procurement actions shall be reviewed by institution officials to avoid the purchase of unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease versus purchase alternatives, and any other appropriate analysis to determine which approach would be the most economical.
4. Affirmative steps shall be taken to assure that small and minority businesses are utilized when possible. Affirmative steps shall include the following:
 - (1) Including qualified small and minority businesses on solicitation lists;
 - (2) Assuring that small and minority businesses are solicited whenever they are potential sources;
 - (3) When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation;
 - (4) Where the requirements, establishing delivery schedules which will encourage participation by small and minority businesses;

- (5) Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce and the Community Services Administration as required;
 - (6) If any subcontracts are to be let, requiring the prime contractor to take the affirmative steps in 1 through 5 above;
 - (7) Taking similar appropriate affirmative action in support of women's business enterprises.
5. All procurement transactions regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition consistent with this section. Procurement procedures shall not restrict or eliminate competition. Examples of what is considered to be restrictive of competition include, but are not limited to (1) placing unreasonable requirements on firms in order for them to qualify to do business (2) noncompetitive practices between firms, (3) organizational conflicts of interest and (4) unnecessary experience and bonding requirements.
6. This institution's selection procedures, whether by competitive bids or negotiations shall adhere to the following procedural requirements:
 - (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make clear and accurate description of the technical requirements, a "brand new or equal" description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated.
 - (2) Awards shall be made only to responsible contractors that possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
 - (3) Program procurements shall be made by one of the following methods:
 - (a) Small purchase procedures are those relatively simple and informal procurement methods that are sound and appropriate for the procurement of services, supplies, or other property, costing in the aggregate not more than

\$30,724 (\$35,000 for Charter Schools). This institution shall comply with State or local small purchase dollar limits under \$30,724 (\$35,000 for Charter Schools). If small purchase procedures are used for a procurement under the program, price or rate quotation shall be obtained from two (2) qualified sources from which purchases can be obtained economically. Copies of all quotations will be maintained for 5 years.

- (b) In competitive sealed bids (formal advertising), sealed bids will be publicly solicited and a firm-fixed-price contract (lump sum or unit price) will be awarded to the responsible bidder whose bid, confirming with all the material terms and conditions of the invitation for bids, is lowest in price.

In order for formal advertising to be feasible, appropriate conditions must be present, including as a minimum, the following:

- (aa) A complete, adequate and realistic specification nor purchase description is available.
 - (bb) Two or more responsible suppliers who are willing and able to compete effectively for the institution's business.
 - (cc) The procurement lends itself to a firm-fixed-price contract, and selection of the successful bidder can appropriately be made principally on the basis of price.
- (c) If formal advertising is used for procurement under the Program, the following requirements shall apply:
 - (aa) Bids shall be solicited from an adequate number of known suppliers. In addition, the invitation shall be publicly advertised fourteen (14) days prior to the opening of the bids.
 - (bb) The invitation for bids, including specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the invitation.
 - (cc) All bids shall be opened publicly at the time and place stated in the invitation for bids.
 - (dd) A firm-fixed-price contract award shall be made by written notice to that responsible bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of the grantee indicates that such discounts are generally taken.

- (ee) Any or all bids may be rejected when there are sound documented business reasons in the best interest of the program.
- (d) In competitive negotiation, proposals will be requested from a number of sources and the Request for Proposal is publicized. Negotiations are normally conducted with more than one of the sources submitting offers, and either a fixed-price or cost reimbursable type contract is awarded, as appropriate. Competitive negotiation may be used if conditions are not appropriate for the use of formal advertising. If competitive negotiation is used for a procurement under a grant, the following requirements shall apply:
 - (aa) Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. The Request of Proposals shall be publicized and reasonable requests by other sources to compete shall be honored to the maximum extent practicable.
 - (bb) The Request for Proposal shall identify all significant evaluation factors, including price or cost where required and their relative importance.
 - (cc) The institution shall provide mechanisms for technical evaluation of the proposal received, determinations of responsible offerors for the purpose of written or oral discussions, and selection for contract award.
 - (dd) Award may be made to the responsible offeror whose proposal will be most advantageous to the procuring party, price and other factors considered. Unsuccessful offerors should be notified promptly.
- 7. Noncompetitive negotiation is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

Noncompetitive negotiation will be used when the award of a contract is infeasible under small purchase, competitive bidding (formal advertising), or competitive negotiation procedures. Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:

- (1) The item is available only from a single source.
- (2) Public exigency or emergency when the urgency for the requirement will not permit a delay incident to competitive solicitation.
- (3) FNS authorized noncompetitive negotiation.
- (4) After solicitation of a number of sources, competition is determined inadequate.
- (5) The cost plus a percentage of cost method of contracting shall not be used.

- (6) This institution shall maintain records sufficient to detail the significant history of a procurement.
- (7) Contracts other than small purchases shall contain provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
8. All contracts in excess of \$30,724 (\$35,000 for Charter Schools) shall contain suitable provisions for termination. Such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
9. All negotiated contracts (except those awarded by small purchases procedures) awarded by institutions shall include a provision to the effect that the institution, FNS, the Comptroller General of the United States or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract, for the purpose of making audit, examination, excerpts, and transcriptions. This institution shall require contractors to maintain all required records for five years after the institute makes final payment and all other pending matters are closed.

Date

Signature of Sponsoring Agency Officer

Title